M

Secta. II-27—100,006—21-5-53.

Finance (1948) Department.

MS **SERIES.**

G.O. No 587

Dated 14. 6. 48

PS
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[Despatch Abstract.]

Small Savings Scheme - Post Office National Saving Certificates Issue of 5 year and 7 year National Savings Certificates Gazetted of India Extra-ordinary dated 24-5-48 - Recorded.

PRESS COMMUNIQUE

The Government of India have been considering for some time the question of providing facilities for middle and lower middle class investors in National Savings Certificates without having to lock up their money for so long as twelve years. They have accordingly decided to issue two more series of National Saving Certificates one with a currency of five years and the other with a currency of seven years. These certificates will be in addition to the existing twelve year certificates which will continue to be issued and which will cater to those those investors who prefer this relatively long term investment at the favourable rate of interest which those certificates offer. The new issues will be subject to the same rules as the present twelve-year National Savings Certificates, except that they will be encashable at any time the holder desires. These certificates will be issued in denominations of Rs.5,10, Rs.100, Rs.1000 and Rs.5,000/-. The surrender value of a certificate of the face value of Rs.10 of the three different series will be as follows:

	Five-year certificates		Seven year certificates		Twelve-year certificates	
	Rs.	A.	Rs.	A.	Rs.	A.
After one complete year or earlier	10		10	0		
After two complete years	10	4	10	3	10	4
After three " "	10	8	10	7	10	8
After four " "	11	0	10	14	11	0
After five " "	11	8	11	6	11	8
After six " "			12	0	12	0
After seven " "			12	8	12	8
After eight " "					13	0
After nine " "					13	8
After ten " "					14	0
After eleven " "					14	8
After twelve " "					15	0

The redemption yield of the 5-year certificates will be 3%, of the 7-year certificates a little over 3½% and the 12-year certificates a little over 4%.

2. Arrangements are being made at all Post Offices conducting Savings Bank business for accepting subscriptions for the new series of National Savings Certificates with effect from the 1st June, 1948. As the printing of the forms for the new certificates will take some time, Post Offices will issue simple receipts for the subscriptions which would be exchanged later for the certificates, The date from which the new certificates will be available will be announced.

3. With the issue of these new series, the National Savings Certificates provide a full range investment for those who prefer it to the purchase of Government securities. The interest from all these certificates is free of income-tax and the maximum amount that may be invested is Rs.15,000 in all. Considering the security behind these certificates, the rate of interest for all these series is very favourable to the investor. The Government of India trust that the issue of the new series will stimulate investment in National Savings Certificates over a wider field than at present. There is nothing so secure from the point of view of the public as investment in Government securities, in addition to this, the National Savings Certificates offer attractive terms both in the rate of interest and by way of exemption from income-tax.

MINISTRY OF FINANCE.
New Delhi.
Dated the 22th April, 1948.

1209/11(1)48/SSS
Govt. of India, Ministry of Fin.
National Savings Central Bureau
16-4-1948.

To
The Secretary to Government, Finance Deptt.

Forwarded for information. Further changes if any, will be communicated shortly.

Asst. Director National Savings Bureau

N.S.C.B. Circular No.3/48
Government of India,
Ministry of Finance,
National Savings Central Bureau
Simla, the 4th June 1948.

From

The Deputy National Savings Commissioner.

To

All States National Savings Advisers.

Sub:- Issue of 5-year and 7-year National Savings Certificates.

A copy of the Gazette of India Extraordinary dated the 24th May, 1948, on the above subject is enclosed for your information and circulation to all concerned.

Sd/- X X X
Deputy National Savings ~~Commissioner~~
Commissioner.

GOVERNMENT OF MADRAS.
~~Finance~~
Finance Department.
G.O.No.587 Finance dated 14th June 1948.

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Abstract

SMALL SAVINGS SCHEME - Post Office National Savings Certificates - Issue of 5 year and 7 year National Savings Certificates - Gazette of India Extraordinary dated 24-5-48 - Recorded.

READ:

From the Deputy National Savings Commissioner, Simla N.S.C.B. Circular No.3/48 dated 4-6-48 and Government of India Ministry of Finance (Communications) Notifications No.1978 (A)-C1/48 dated 21-5-48.and No.1978(B)-C1/48 dated 21-5-48.

ORDER:

R E C O R D E D.

By order of the Governor)

Secretary to Govt.

To the P.N.S.O.,Madras.
To the Accountant-General.
To All Heads of Departments.
To All Collectors.
To Chairman, M.N.S.C.
To the Deptts. of Sectt.
To N.S.C., Simla.
To the Sundt. Govt. Press for publication in the Fort St. George Gazette.

(True copy)

Superintendent,
Madras Record Office.

RCB/

MINISTRY OF FINANCE (COMMUNICATIONS)

NOTIFICATION

New Delhi, the 21st May 1948

No. 1978(B)-CI/48.—In exercise of the powers conferred by section 6 of the Post Office National Savings Certificates Ordinance, 1944 (No. XLII of 1944) the Governor General is pleased to direct that the Post Office National Savings Certificates Rules, 1944, shall be applicable to the new issues of 5-year and 7-year Post Office National Savings Certificates subject to the following modifications:—

(a) These certificates shall be issued in denominations of Rs. 5, Rs. 10, Rs. 100, Rs. 1,000 and Rs. 5,000 only.

(b) These certificates shall be encashable at any time the holder desires.

(c) The surrender value of these certificates shall be as follows:

(1) For the 5-year Certificates

Face Value	Rs. 5			Rs. 10			Rs. 100			Rs. 1,000			Rs. 5,000		
Surrender Value	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
After 1 complete year or earlier	5	0	0	10	0	0	100	0	0	1,000	0	0	5,000	0	0
After 2 complete years	5	2	0	10	4	0	102	8	0	1,025	0	0	5,125	0	0
After 3 complete years	5	4	0	10	8	0	105	0	0	1,050	0	0	5,250	0	0
After 4 complete years	5	8	0	11	0	0	110	0	0	1,100	0	0	5,500	0	0
After 5 complete years	5	12	0	11	8	0	115	0	0	1,150	0	0	5,750	0	0

(2) For the 7-year Certificates

After 1 complete year or earlier	5	0	0	10	0	0	100	0	0	1,000	0	0	5,000	0	0
After 2 complete years	5	1	6	10	3	0	101	14	0	1,018	12	0	5,093	12	0
After 3 complete years	5	3	6	10	7	0	104	6	0	1,043	12	0	5,218	12	0
After 4 complete years	5	7	0	10	14	0	108	12	0	1,087	8	0	5,437	8	0
After 5 complete years	5	11	0	11	6	0	113	12	0	1,137	8	0	5,687	8	0
After 6 complete years	6	0	0	12	0	0	120	0	0	1,200	0	0	6,000	0	0
After 7 complete years	6	4	0	12	8	0	125	0	0	1,250	0	0	6,250	0	0

(d) The interest from these certificates is free of income-tax.

(e) The maximum holdings laid down in the Post Office National Savings Certificates Rules, 1944 shall be held to include the investments in these certificates.

R. NARAYANASWAMI, Jt. Secy.

No. 1978 (B)-CI/48

Copy forwarded to all Provincial Governments; all Chief Commissioners; all Ministries of the Government of India; the Secretaries to the Governor General; the Financial Adviser, Defence and Supply; the Additional Financial Adviser, Supply (Finance); the Joint Financial Adviser, Supply; the Federal Court; Secretary to the Cabinet Secretariat; the Auditor General of India; the Central Board of Revenue; the Joint Financial Adviser (Food); all Accountants General and Comptrollers; the Director of Audit, Defence and Supply; the Director of Railway Audit; the Deputy Accountants General under the Accountant General, Posts and Telegraphs and the Accounts Officer, Telegraph Check Office, Calcutta; National Savings Central Bureau, Simla; Special Officer, S. S. Scheme, Hyderabad (Deccan); A. G.-in-Charge, Travancore State; P. M. Gs. Gwalior and Patiala: Postmaster and Organiser, S. S. Scheme, Nabha; Political Member Jind State, Sangrur; President, Council of Administration, Chamba.

Copy also forwarded to the Master, Security Printing, India; the Mint Masters, Bombay and Calcutta; Secretary, Reserve Bank of India (Central Office), Bombay; Director General, Posts and Telegraphs, Burma; Postmaster General, Ceylon, Colombo; Postmaster Aden; Supply Officer, Royal Indian Navy and the Chief Commissioner, Andamans.

By order etc.
SARDAR SINGH,
Assistant Secretary.

HPD—L108M)fF—26-5-48—1,200.

(A)

MINISTRY OF FINANCE (COMMUNICATIONS)

NOTIFICATION

New Delhi, the 21st May 1948

No. 1978(A)-CI/48.—In exercise of the powers conferred by clause (b) of sub-section (2) of section 1 of the Post Office National Savings Certificates Ordinance, 1944 (No. XLII of 1944) the Governor General is pleased to direct that the provisions of the said Ordinance shall apply to the 5-year and 7-year Post Office National Savings Certificates which will be issued from the 1st June 1948.

R. NARAYANASWAMI, Jt. Secy.

No. 1978 (A)-CI/48.

Copy forwarded to all Provincial Governments; all Chief Commissioners; all Ministries of the Government of India; the Secretaries to the Governor General; the Financial Adviser, Defence and Supply; the Additional Financial Adviser, Supply (Finance); the Joint Financial Adviser, Supply; the Federal Court; Secretary to the Cabinet Secretariat; the Auditor General of India; the Central Board of Revenue; the Joint Financial Adviser (Food); all Accountants General and Comptrollers; the Director of Audit, Defence and Supply; the Director of Railway Audit; the Deputy Accountants General under the Accountant General, Posts and Telegraphs and the Accounts Officer, Telegraph Check Office, Calcutta; National Savings Central Bureau, Simla; Special Officer, S. S. Scheme, Hyderabad (Deccan); A. G.-in-Charge, Travancore State; P. M. Gs. Gwalior and Patiala; Postmaster and Organiser, S. S. Scheme, Nabha; Political Member Jind State, Sangrur; President, Council of Administration, Chamba.

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By order etc.
SARDAR SINGH,
Assistant Secretary.

(IIPD—1,107MoFF—26-5-48—1,200.